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AMEMBASSY BERN PRIORITY  
INFO MISSILE TECHNOLOGY CONTROL REGIME COLLECTIVE

S E C R E T STATE 026066

SIPDIS

E.O. 12958: DECL: 03/12/2033

TAGS: [PARM](#) [MTCRE](#) [PREL](#) [MNUC](#) [ETTC](#) [IR](#) [SZ](#)

SUBJECT: (S) PROVIDING THE GOS INFORMATION ON SWISS FIRM  
BBE'S PROLIFERANT ACTIVITY

REF: A. 06 BERN 2040 AND PREVIOUS

[B](#). 06 STATE 184735

[C](#). 07 STATE 66183 AND PREVIOUS

[D](#). 07 STATE 80777

Classified By: ISN/MTR DIRECTOR PAM DURHAM FOR REASONS  
1.4 (B), (D), AND (H).

[1](#). (U) This is an action request. Embassy Bern  
please see paragraph 5.

[2](#). (S) BACKGROUND: Per Refs C and D, since October  
2005 the United States and Switzerland have been  
engaged in a dialogue regarding the activities of the  
Swiss-based entity BB Engineering - a firm that has  
been procuring items on behalf of Iranian ballistic  
missile and defense programs. We last discussed this  
case with Switzerland in June 2007, when visiting  
Swiss Secretariat of Economic Affairs (SECO) chief Dr.  
Othmar Wyss met with ISN/MTR to discuss this case and  
other nonproliferation-related issues (Ref C). During  
this meeting, we shared information indicating that  
BBE had offered to supply Iran's Sabalan Co. with a  
variety of integrated circuits - most of U.S.-origin.  
(Note: Sabalan is a front company for Iran's primary  
liquid-fueled ballistic missile program. End note.)  
Wyss informed us that BBE and its proprietor, Miroslav  
Hertl, were being prosecuted in a criminal court, but  
provided no details, saying the case was in the hands  
of the federal prosecutor. Since this June 2007  
meeting, we have not had the occasion to raise any  
further proliferant activity by BBE with the GOS, nor  
have we received any detailed information related to  
the Swiss prosecution of BBE.

[3](#). (S) However, we now have new information  
indicating that BBE continues its work to supply  
goods to Iranian missile entities. Specifically,  
we understand that in mid-January 2008, BBE  
shipped a consignment of unspecified items to  
Iran's Technical Engineering Nikan (TEN) Group.  
While the contents of the shipment are unknown to  
us, our primary concern is that BBE appears to  
have resumed its efforts to act as a supplier to  
Iranian entities of concern. The TEN Group is  
affiliated with the Sanam Industrial Group (SIG)  
and the Samen al-A'emmeh Industries Group (SAIG -  
also known as the Cruise Missile Industry Group -  
CMIG). Both SIG and CMIG are sanctioned under  
United Nations Security Council Resolution 1747  
for their involvement in Iran's missile program.

[4](#). (S) Objectives: We want to share this  
information with Swiss authorities, and request  
that they provide us with the latest information  
on the status of the legal case against BBE, as  
well as any updates they may have on a separate  
ongoing prosecution of Opteco Trading GmbH,  
another Swiss firm with a history of involvement  
in proliferation to Iran (Refs A and B).

¶5. (U) ACTION REQUEST: Request Embassy Bern provide the talking points in paragraph 6 below to appropriate Swiss officials, and report response. Talking points may also be left as a non-paper.

END BACKGROUND

¶6. (S/REL SWITZERLAND) BEGIN TALKING POINTS

-- We would like to raise with you a matter of proliferation concern and request your government's assistance in investigating this activity.

-- On many occasions since October 2005, we have discussed cooperation between the Swiss-based firm BB Engineering and entities affiliated with Iran's defense, missile, and UAV programs.

-- We greatly appreciate your efforts to address the proliferant activities of BBE and for providing us with updates regarding your investigation into this firm and its proprietor, Miroslav Hertl.

-- When we last spoke with you about BBE's activities, we learned that BBE and its proprietor, Miroslav Hertl, were being prosecuted in a criminal court.

-- We appreciate the efforts you have made in this case, and it is in this spirit that we would like to provide you with additional information on this firm's assistance to Iran's missile program.

-- The U.S. has information indicating that in mid-January 2008, BBE shipped a consignment of unspecified goods to Iran's Technical Engineering Nikan (TEN) Group. The goods were shipped from Dubai to Tehran on Emirates Airlines flight EK-¶977.

-- While the contents of the shipment are not known to us, we are concerned that BBE continues its proliferant activities with Iranian entities of concern.

-- TEN Group is affiliated with the Sanam Industrial Group (SIG) and the Samen al-A'emmeh Industries Group (SAIG - also known as the Cruise Missile Industry Group - CMIG). Both SIG and CMIG are named in UNSCR 1747 as being involved in Iran's missile programs.

-- As you are aware, paragraph 12 of UNSCR 1737 states that States shall freeze all "funds, other financial assets and economic resources which are on their territories at the date of adoption of this resolution or at any time thereafter that are owned or controlled by the persons or entities designated in the Annex..." Therefore, transfers of any goods to UNSCR designated entities should be frozen.

-- We hope this information is useful to you, and would appreciate hearing the status of the legal proceedings against BBE.

-- We would also be grateful for any information you can provide related to Switzerland's prosecution of Opteco Trading GmbH, another firm we have discussed with you due to its involvement in proliferation-related activities.

END TALKING POINTS.

¶7. (U) Please contact ISN/MTR's John Paul Herrmann with any questions or follow-up issues related to this case (202-647-1430 - herrmannjp@state.sgov.gov) and slug reporting on this issue for ISN/MTR.

¶8. (U) A word version of this document will be posted at [www.state.sgov.gov/demarche](http://www.state.sgov.gov/demarche).  
RICE

NNNN

End Cable Text